

1 AN ACT concerning public employee benefits.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by adding
5 Sections 3-110.9, 8-226.7, and 9-121.17 and by changing
6 Sections 5-146, 5-147, 5-152, and 7-139 as follows:

7 (40 ILCS 5/3-110.9 new)

8 Sec. 3-110.9. Transfer to Article 9.

9 (a) Until 6 months after the effective date of this
10 amendatory Act of the 95th General Assembly, any active member
11 of a pension fund established under Article 9 of this Code may
12 apply for transfer of up to 6 years of his or her creditable
13 service accumulated in any police pension fund under this
14 Article to the Article 9 fund. Such creditable service shall be
15 transferred only upon payment by such police pension fund to
16 the Article 9 fund of an amount equal to:

17 (1) the amounts accumulated to the credit of the
18 applicant on the books of the fund on the date of transfer;
19 and

20 (2) employer contributions in an amount equal to the
21 amount determined under subparagraph (1); and

22 (3) any interest paid by the applicant in order to
23 reinstate service.

1 Participation in the police pension fund shall terminate on
2 the date of transfer.

3 (b) Until 6 months after the effective date of this
4 amendatory Act of the 95th General Assembly, any active member
5 of an Article 9 fund may reinstate service that was terminated
6 by receipt of a refund, by payment to the police pension fund
7 of the amount of the refund with interest thereon at the rate
8 of 6% per year, compounded annually, from the date of refund to
9 the date of payment.

10 (40 ILCS 5/5-146) (from Ch. 108 1/2, par. 5-146)

11 Sec. 5-146. Wives and widows not entitled to annuities. The
12 following wives or widows have no right to annuity from the
13 fund:

14 (a) A wife or widow, married subsequent to the effective
15 date, of a policeman who dies in service, if the marriage
16 occurred less than one year prior to the policeman's death,
17 except with respect to a policeman who dies in the performance
18 of an act of duty, as provided in Section 5-147 in cases where
19 a widow entitled to an annuity remarries after age 60, or when
20 a widow entitled to an annuity remarries prior to attaining age
21 60 and the marriage is terminated, at any time thereafter, by
22 dissolution of marriage, declaration of invalidity of marriage
23 or the death of the husband; if after an evidentiary hearing,
24 however, the Board, at its sole discretion determines that
25 special circumstances exist warranting payment of a widow's

1 annuity, then and only then shall the Board have authority to
2 grant and award the annuity that would have been otherwise
3 available;

4 (b) A wife or widow of a policeman who withdraws, whether
5 or not he enters upon annuity, and dies out of service, if the
6 marriage occurred after the effective date and less than one
7 year prior to the policeman's death, and the widow was not his
8 wife while he was in service; if after an evidentiary hearing,
9 however, the Board, at its sole discretion determines that
10 special circumstances exist warranting payment of a widow's
11 annuity, then and only then shall the Board have authority to
12 grant and award the annuity that would have been otherwise
13 available;

14 (c) A wife or widow of a policeman who (1) has served 10 or
15 more years, (2) dies out of service after he has withdrawn, and
16 (3) has received a refund of the sums to his credit for
17 annuity, and such refund has not been repaid in accordance with
18 the other provisions of this Article;

19 (d) A wife or widow of a policeman who dies out of service
20 after he has withdrawn, and who has not served at least 10
21 years;

22 (e) A former wife of a policeman who has had a judgment of
23 dissolution of marriage from her policeman husband annulled,
24 vacated or set aside by court proceedings subsequent to the
25 policeman's death, unless (1) the proceedings were filed within
26 5 years after the date of dissolution of marriage, and within 1

1 year after the policeman's death, and (2) the board was made a
2 party to the proceedings;

3 (f) A widow of a policeman who died prior to January 1,
4 1922, if she had been denied a pension by the board of trustees
5 of any police pension fund existing in the city by operation of
6 any other law;

7 (g) A widow of a policeman who has been denied a pension or
8 annuity by the board created by this Article and who files a
9 petition for a rehearing, or files a second application for
10 annuity, unless the petition for rehearing or second
11 application is filed within 1 year from the date upon which the
12 annuity was denied by the board; provided, that in the case of
13 legal disability, the year of limitation shall begin on the day
14 after the termination of such disability.

15 (Source: P.A. 86-272.)

16 (40 ILCS 5/5-147) (from Ch. 108 1/2, par. 5-147)

17 Sec. 5-147. Widow's marriage to terminate annuity.

18 (a) Beginning on the effective date of this amendatory Act
19 of the 95th General Assembly, a widow's annuity shall no longer
20 be subject to termination or suspension under this Section due
21 to remarriage. Any widow's annuity that was previously
22 terminated or suspended under this Section by reason of
23 remarriage shall, upon application, be resumed as of the date
24 of the application, but in no event sooner than the effective
25 date of this amendatory Act. The resumption shall not be

1 retroactive. This subsection (a) applies regardless of whether
2 or not the deceased policeman was in service on or after the
3 effective date of this amendatory Act of the 95th General
4 Assembly.

5 (b) This subsection (b) does not apply on or after the
6 effective date of this amendatory Act of the 95th General
7 Assembly.

8 Any annuity granted to a widow shall be suspended when she
9 remarries, unless she remarries after attaining age 60 or the
10 annuity was granted under Section 5-144 and the remarriage
11 takes place after October 31, 1989. Except as otherwise
12 provided by this Section, if a widow remarries before reaching
13 age 60, annuity payment shall be suspended, but the widow's
14 annuity payments shall be resumed if the subsequent marriage
15 ends either by dissolution of marriage, declaration of
16 invalidity of marriage or the death of the husband. If a widow
17 remarries after attaining age 60, or the annuity was granted
18 under Section 5-144 and the remarriage takes place after June
19 1, 1990, regardless of whether or not the deceased policeman
20 was in service on or after the effective date of this
21 amendatory Act of 1991, the widow's annuity shall continue
22 without interruption.

23 If when a widow dies she has not received, in form of
24 annuity, an amount equal to the accumulated employee
25 contributions for widow's annuity, the difference between such
26 accumulated contributions and the sum received by her, along

1 with any part of the accumulated contributions for age and
2 service annuity remaining in the fund at her death shall be
3 refunded to the policemen's children, in equal parts to each;
4 provided, if any child is less than age 18, such part of any
5 such amount required to pay annuities to such children shall be
6 transferred to the child's annuity reserve. If no children or
7 descendants thereof survive the policeman, such refund shall be
8 paid to the estate of the policeman. In making refunds under
9 this Section, no interest shall be considered upon either the
10 total of annuity payments made or the amounts subject to
11 refund.

12 (Source: P.A. 86-1488.)

13 (40 ILCS 5/5-152) (from Ch. 108 1/2, par. 5-152)

14 Sec. 5-152. Child's annuity - Conditions - Amount. A
15 child's annuity shall be payable in the following cases of
16 policemen who die on or after the effective date: (a) A
17 policeman whose death results from injury incurred in the
18 performance of an act or acts of duty; (b) a policeman who dies
19 in service from any cause; (c) a policeman who withdraws upon
20 or after attainment of age 50 and who enters upon or is
21 eligible for annuity; (d) a present employee with at least 20
22 years of service who dies after withdrawal, whether or not he
23 has entered upon annuity.

24 A child to be eligible must have been born or legally
25 adopted before the policeman has withdrawn from service. In the

1 case of an adopted child, the policeman shall be married and
2 living with his wife at the time of the adoption, and the
3 proceedings for adoption must have been initiated at least 6
4 months prior to the policeman's death. The requirement that the
5 proceedings for adoption be initiated at least 6 months prior
6 to the policeman's death does not apply where death occurs as a
7 result of an act of duty.

8 Only one annuity shall be granted and paid for the benefit
9 of any child if both parents have been policemen.

10 The annuity shall be paid, without regard to the fact that
11 the death of the deceased policeman parent may have occurred
12 prior to the effective date of this amendatory Act of 1975, in
13 an amount equal to 10% of the annual maximum salary attached to
14 the classified civil service position of a first class
15 patrolman on July 1, 1975, or the date of the policeman's
16 death, whichever is later, for each child while a widow or
17 widower of the deceased policeman survives and in an amount
18 equal to 15% of the annual maximum salary attached to the
19 classified civil service position of a first class patrolman on
20 July 1, 1975, or the date of the policeman's death, whichever
21 is later, while no widow or widower shall survive, provided
22 that if the combined annuities for the widow and children of a
23 policeman who dies on or after September 26, 1969, as the
24 result of an act of duty, or for the children of such policeman
25 in any case wherein a widow or widower does not exist, exceed
26 the salary that would ordinarily have been paid to him if he

1 had been in the active discharge of his duties, all such
2 annuities shall be reduced pro rata so that the combined
3 annuities for the family shall not exceed such limitation. The
4 compensation portion of the annuity of the widow shall not be
5 considered in making such reduction. No age limitation in this
6 Section or Section 5-151 shall apply to a child who is so
7 physically or mentally handicapped as to be unable to support
8 himself or herself. Benefits payable under this Section shall
9 not be reduced or terminated by reason of any child's
10 attainment of age 18 if he is then dependent by reason of a
11 physical or mental disability but shall continue to be paid as
12 long as such dependency continues. For the purposes of this
13 subsection, "disability" means inability to engage in any
14 substantial gainful activity by reason of any medically
15 determinable physical or mental impairment which can be
16 expected to result in death or which has lasted or can be
17 expected to last for a continuous period of not less than 12
18 months.

19 In the case of a family of a policeman who dies on or after
20 September 26, 1969, as the result of any cause other than the
21 performance of an act of duty, in which annuities for such
22 family exceed an amount equal to 60% of the salary that would
23 ordinarily have been paid to him if he had been in the active
24 discharge of his duties, all such annuities shall be reduced
25 pro rata so that the combined annuities shall not exceed such
26 limitation.

1 Child's annuity shall be paid to the parent providing for
2 the child, unless another person is appointed by a court of law
3 as the child's guardian.

4 (Source: P.A. 79-699; 79-881; 79-1454.)

5 (40 ILCS 5/7-139) (from Ch. 108 1/2, par. 7-139)

6 Sec. 7-139. Credits and creditable service to employees.

7 (a) Each participating employee shall be granted credits
8 and creditable service, for purposes of determining the amount
9 of any annuity or benefit to which he or a beneficiary is
10 entitled, as follows:

11 1. For prior service: Each participating employee who
12 is an employee of a participating municipality or
13 participating instrumentality on the effective date shall
14 be granted creditable service, but no credits under
15 paragraph 2 of this subsection (a), for periods of prior
16 service for which credit has not been received under any
17 other pension fund or retirement system established under
18 this Code, as follows:

19 If the effective date of participation for the
20 participating municipality or participating
21 instrumentality is on or before January 1, 1998, creditable
22 service shall be granted for the entire period of prior
23 service with that employer without any employee
24 contribution.

25 If the effective date of participation for the

1 participating municipality or participating
2 instrumentality is after January 1, 1998, creditable
3 service shall be granted for the last 20% of the period of
4 prior service with that employer, but no more than 5 years,
5 without any employee contribution. A participating
6 employee may establish creditable service for the
7 remainder of the period of prior service with that employer
8 by making an application in writing, accompanied by payment
9 of an employee contribution in an amount determined by the
10 Fund, based on the employee contribution rates in effect at
11 the time of application for the creditable service and the
12 employee's salary rate on the effective date of
13 participation for that employer, plus interest at the
14 effective rate from the date of the prior service to the
15 date of payment. Application for this creditable service
16 may be made at any time while the employee is still in
17 service.

18 A municipality that (i) has at least 35 employees; (ii)
19 is located in a county with at least 2,000,000 inhabitants;
20 and (iii) maintains an independent defined benefit pension
21 plan for the benefit of its eligible employees may restrict
22 creditable service in whole or in part for periods of prior
23 service with the employer if the governing body of the
24 municipality adopts an irrevocable resolution to restrict
25 that creditable service and files the resolution with the
26 board before the municipality's effective date of

1 participation.

2 Any person who has withdrawn from the service of a
3 participating municipality or participating
4 instrumentality prior to the effective date, who reenters
5 the service of the same municipality or participating
6 instrumentality after the effective date and becomes a
7 participating employee is entitled to creditable service
8 for prior service as otherwise provided in this subdivision
9 (a)(1) only if he or she renders 2 years of service as a
10 participating employee after the effective date.
11 Application for such service must be made while in a
12 participating status. The salary rate to be used in the
13 calculation of the required employee contribution, if any,
14 shall be the employee's salary rate at the time of first
15 reentering service with the employer after the employer's
16 effective date of participation.

17 2. For current service, each participating employee
18 shall be credited with:

19 a. Additional credits of amounts equal to each
20 payment of additional contributions received from him
21 under Section 7-173, as of the date the corresponding
22 payment of earnings is payable to him.

23 b. Normal credits of amounts equal to each payment
24 of normal contributions received from him, as of the
25 date the corresponding payment of earnings is payable
26 to him, and normal contributions made for the purpose

1 of establishing out-of-state service credits as
2 permitted under the conditions set forth in paragraph 6
3 of this subsection (a).

4 c. Municipality credits in an amount equal to 1.4
5 times the normal credits, except those established by
6 out-of-state service credits, as of the date of
7 computation of any benefit if these credits would
8 increase the benefit.

9 d. Survivor credits equal to each payment of
10 survivor contributions received from the participating
11 employee as of the date the corresponding payment of
12 earnings is payable, and survivor contributions made
13 for the purpose of establishing out-of-state service
14 credits.

15 3. For periods of temporary and total and permanent
16 disability benefits, each employee receiving disability
17 benefits shall be granted creditable service for the period
18 during which disability benefits are payable. Normal and
19 survivor credits, based upon the rate of earnings applied
20 for disability benefits, shall also be granted if such
21 credits would result in a higher benefit to any such
22 employee or his beneficiary.

23 4. For authorized leave of absence without pay: A
24 participating employee shall be granted credits and
25 creditable service for periods of authorized leave of
26 absence without pay under the following conditions:

1 a. An application for credits and creditable
2 service is submitted to the board while the employee is
3 in a status of active employment, and within 2 years
4 after termination of the leave of absence period for
5 which credits and creditable service are sought.

6 b. Not more than 12 complete months of creditable
7 service for authorized leave of absence without pay
8 shall be counted for purposes of determining any
9 benefits payable under this Article.

10 c. Credits and creditable service shall be granted
11 for leave of absence only if such leave is approved by
12 the governing body of the municipality, including
13 approval of the estimated cost thereof to the
14 municipality as determined by the fund, and employee
15 contributions, plus interest at the effective rate
16 applicable for each year from the end of the period of
17 leave to date of payment, have been paid to the fund in
18 accordance with Section 7-173. The contributions shall
19 be computed upon the assumption earnings continued
20 during the period of leave at the rate in effect when
21 the leave began.

22 d. Benefits under the provisions of Sections
23 7-141, 7-146, 7-150 and 7-163 shall become payable to
24 employees on authorized leave of absence, or their
25 designated beneficiary, only if such leave of absence
26 is creditable hereunder, and if the employee has at

1 least one year of creditable service other than the
2 service granted for leave of absence. Any employee
3 contributions due may be deducted from any benefits
4 payable.

5 e. No credits or creditable service shall be
6 allowed for leave of absence without pay during any
7 period of prior service.

8 5. For military service: The governing body of a
9 municipality or participating instrumentality may elect to
10 allow creditable service to participating employees who
11 leave their employment to serve in the armed forces of the
12 United States for all periods of such service, provided
13 that the person returns to active employment within 90 days
14 after completion of full time active duty, but no
15 creditable service shall be allowed such person for any
16 period that can be used in the computation of a pension or
17 any other pay or benefit, other than pay for active duty,
18 for service in any branch of the armed forces of the United
19 States. If necessary to the computation of any benefit, the
20 board shall establish municipality credits for
21 participating employees under this paragraph on the
22 assumption that the employee received earnings at the rate
23 received at the time he left the employment to enter the
24 armed forces. A participating employee in the armed forces
25 shall not be considered an employee during such period of
26 service and no additional death and no disability benefits

1 are payable for death or disability during such period.

2 Any participating employee who left his employment
3 with a municipality or participating instrumentality to
4 serve in the armed forces of the United States and who
5 again became a participating employee within 90 days after
6 completion of full time active duty by entering the service
7 of a different municipality or participating
8 instrumentality, which has elected to allow creditable
9 service for periods of military service under the preceding
10 paragraph, shall also be allowed creditable service for his
11 period of military service on the same terms that would
12 apply if he had been employed, before entering military
13 service, by the municipality or instrumentality which
14 employed him after he left the military service and the
15 employer costs arising in relation to such grant of
16 creditable service shall be charged to and paid by that
17 municipality or instrumentality.

18 Notwithstanding the foregoing, any participating
19 employee shall be entitled to creditable service as
20 required by any federal law relating to re-employment
21 rights of persons who served in the United States Armed
22 Services. Such creditable service shall be granted upon
23 payment by the member of an amount equal to the employee
24 contributions which would have been required had the
25 employee continued in service at the same rate of earnings
26 during the military leave period, plus interest at the

1 effective rate.

2 5.1. In addition to any creditable service established
3 under paragraph 5 of this subsection (a), creditable
4 service may be granted for up to 24 months of service in
5 the armed forces of the United States.

6 In order to receive creditable service for military
7 service under this paragraph 5.1, a participating employee
8 must (1) apply to the Fund in writing and provide evidence
9 of the military service that is satisfactory to the Board;
10 (2) obtain the written approval of the current employer;
11 and (3) make contributions to the Fund equal to (i) the
12 employee contributions that would have been required had
13 the service been rendered as a member, plus (ii) an amount
14 determined by the board to be equal to the employer's
15 normal cost of the benefits accrued for that military
16 service, plus (iii) interest on items (i) and (ii) from the
17 date of first membership in the Fund to the date of
18 payment. If payment is made during the 6-month period that
19 begins 3 months after the effective date of this amendatory
20 Act of 1997, the required interest shall be at the rate of
21 2.5% per year, compounded annually; otherwise, the
22 required interest shall be calculated at the regular
23 interest rate.

24 6. For out-of-state service: Creditable service shall
25 be granted for service rendered to an out-of-state local
26 governmental body under the following conditions: The

1 employee had participated and has irrevocably forfeited
2 all rights to benefits in the out-of-state public employees
3 pension system; the governing body of his participating
4 municipality or instrumentality authorizes the employee to
5 establish such service; the employee has 2 years current
6 service with this municipality or participating
7 instrumentality; the employee makes a payment of
8 contributions, which shall be computed at 8% (normal) plus
9 2% (survivor) times length of service purchased times the
10 average rate of earnings for the first 2 years of service
11 with the municipality or participating instrumentality
12 whose governing body authorizes the service established
13 plus interest at the effective rate on the date such
14 credits are established, payable from the date the employee
15 completes the required 2 years of current service to date
16 of payment. In no case shall more than 120 months of
17 creditable service be granted under this provision.

18 7. For retroactive service: Any employee who could have
19 but did not elect to become a participating employee, or
20 who should have been a participant in the Municipal Public
21 Utilities Annuity and Benefit Fund before that fund was
22 superseded, may receive creditable service for the period
23 of service not to exceed 50 months; however, a current or
24 former elected or appointed official of a participating
25 municipality may establish credit under this paragraph 7
26 for more than 50 months of service as an official of that

1 municipality, if the excess over 50 months is approved by
2 resolution of the governing body of the affected
3 municipality filed with the Fund before January 1, 2002.

4 Any employee who is a participating employee on or
5 after September 24, 1981 and who was excluded from
6 participation by the age restrictions removed by Public Act
7 82-596 may receive creditable service for the period, on or
8 after January 1, 1979, excluded by the age restriction and,
9 in addition, if the governing body of the participating
10 municipality or participating instrumentality elects to
11 allow creditable service for all employees excluded by the
12 age restriction prior to January 1, 1979, for service
13 during the period prior to that date excluded by the age
14 restriction. Any employee who was excluded from
15 participation by the age restriction removed by Public Act
16 82-596 and who is not a participating employee on or after
17 September 24, 1981 may receive creditable service for
18 service after January 1, 1979. Creditable service under
19 this paragraph shall be granted upon payment of the
20 employee contributions which would have been required had
21 he participated, with interest at the effective rate for
22 each year from the end of the period of service established
23 to date of payment.

24 8. For accumulated unused sick leave: A participating
25 employee who is applying for a retirement annuity shall be
26 entitled to creditable service for that portion of the

1 employee's accumulated unused sick leave for which payment
2 is not received, as follows:

3 a. Sick leave days shall be limited to those
4 accumulated under a sick leave plan established by a
5 participating municipality or participating
6 instrumentality which is available to all employees or
7 a class of employees.

8 b. Only sick leave days accumulated with a
9 participating municipality or participating
10 instrumentality with which the employee was in service
11 within 60 days of the effective date of his retirement
12 annuity shall be credited; If the employee was in
13 service with more than one employer during this period
14 only the sick leave days with the employer with which
15 the employee has the greatest number of unpaid sick
16 leave days shall be considered.

17 c. The creditable service granted shall be
18 considered solely for the purpose of computing the
19 amount of the retirement annuity and shall not be used
20 to establish any minimum service period required by any
21 provision of the Illinois Pension Code, the effective
22 date of the retirement annuity, or the final rate of
23 earnings.

24 d. The creditable service shall be at the rate of
25 1/20 of a month for each full sick day, provided that
26 no more than 12 months may be credited under this

1 subdivision 8.

2 e. Employee contributions shall not be required
3 for creditable service under this subdivision 8.

4 f. Each participating municipality and
5 participating instrumentality with which an employee
6 has service within 60 days of the effective date of his
7 retirement annuity shall certify to the board the
8 number of accumulated unpaid sick leave days credited
9 to the employee at the time of termination of service.

10 9. For service transferred from another system:
11 Credits and creditable service shall be granted for service
12 under Article 3, 4, 5, 8, 14, or 16 of this Act, to any
13 active member of this Fund, and to any inactive member who
14 has been a county sheriff, upon transfer of such credits
15 pursuant to Section 3-110.3, 4-108.3, 5-235, 8-226.7,
16 14-105.6, or 16-131.4, and payment by the member of the
17 amount by which (1) the employer and employee contributions
18 that would have been required if he had participated in
19 this Fund as a sheriff's law enforcement employee during
20 the period for which credit is being transferred, plus
21 interest thereon at the effective rate for each year,
22 compounded annually, from the date of termination of the
23 service for which credit is being transferred to the date
24 of payment, exceeds (2) the amount actually transferred to
25 the Fund. Such transferred service shall be deemed to be
26 service as a sheriff's law enforcement employee for the

1 purposes of Section 7-142.1.

2 10. For service transferred from an Article 3 system
3 under Section 3-110.8: Credits and creditable service
4 shall be granted for service under Article 3 of this Act as
5 provided in Section 3-110.8, to any active member of this
6 Fund upon transfer of such credits pursuant to Section
7 3-110.8. If the amount by which (1) the employer and
8 employee contributions that would have been required if he
9 had participated in this Fund during the period for which
10 credit is being transferred, plus interest thereon at the
11 effective rate for each year, compounded annually, from the
12 date of termination of the service for which credit is
13 being transferred to the date of payment, exceeds (2) the
14 amount actually transferred to the Fund, then the amount of
15 creditable service established under this paragraph 10
16 shall be reduced by a corresponding amount in accordance
17 with the rules and procedures established under this
18 paragraph 10.

19 The board shall establish by rule the manner of making
20 the calculation required under this paragraph 10, taking
21 into account the appropriate actuarial assumptions; the
22 member's service, age, and salary history; the level of
23 funding of the employer; and any other factors that the
24 board determines to be relevant.

25 (b) Creditable service - amount:

26 1. One month of creditable service shall be allowed for

1 each month for which a participating employee made
2 contributions as required under Section 7-173, or for which
3 creditable service is otherwise granted hereunder. Not
4 more than 1 month of service shall be credited and counted
5 for 1 calendar month, and not more than 1 year of service
6 shall be credited and counted for any calendar year. A
7 calendar month means a nominal month beginning on the first
8 day thereof, and a calendar year means a year beginning
9 January 1 and ending December 31.

10 2. A seasonal employee shall be given 12 months of
11 creditable service if he renders the number of months of
12 service normally required by the position in a 12-month
13 period and he remains in service for the entire 12-month
14 period. Otherwise a fractional year of service in the
15 number of months of service rendered shall be credited.

16 3. An intermittent employee shall be given creditable
17 service for only those months in which a contribution is
18 made under Section 7-173.

19 (c) No application for correction of credits or creditable
20 service shall be considered unless the board receives an
21 application for correction while (1) the applicant is a
22 participating employee and in active employment with a
23 participating municipality or instrumentality, or (2) while
24 the applicant is actively participating in a pension fund or
25 retirement system which is a participating system under the
26 Retirement Systems Reciprocal Act. A participating employee or

1 other applicant shall not be entitled to credits or creditable
2 service unless the required employee contributions are made in
3 a lump sum or in installments made in accordance with board
4 rule.

5 (d) Upon the granting of a retirement, surviving spouse or
6 child annuity, a death benefit or a separation benefit, on
7 account of any employee, all individual accumulated credits
8 shall thereupon terminate. Upon the withdrawal of additional
9 contributions, the credits applicable thereto shall thereupon
10 terminate. Terminated credits shall not be applied to increase
11 the benefits any remaining employee would otherwise receive
12 under this Article.

13 (Source: P.A. 93-933, eff. 8-13-04; 94-356, eff. 7-29-05.)

14 (40 ILCS 5/8-226.7 new)

15 Sec. 8-226.7. Transfer to Article 7. Until 6 months after
16 the effective date of this amendatory Act of the 95th General
17 Assembly, any member who is a sheriff's law enforcement
18 employee under Article 7 of this Code who is eligible to
19 transfer service credit to that Fund from this Fund under
20 paragraph (9) of subsection (a) of Section 7-139 may apply for
21 transfer of that service credit to the Illinois Municipal
22 Retirement Fund. The credits and creditable service shall be
23 transferred upon application, and shall include payment by this
24 Fund to the Illinois Municipal Retirement Fund of:

25 (1) the amounts accumulated to the credit of the

1 applicant for that service, including interest, on the
2 books of the Fund on the date of transfer; and
3 (2) the corresponding employer credits computed and
4 credited for that service under this Article, including
5 interest, on the books of the Fund on the date of transfer.
6 Participation in this Fund as to the credits transferred
7 under this Section shall terminate on the date of transfer.

8 (40 ILCS 5/9-121.17 new)

9 Sec. 9-121.17. Transfer from Article 3. Until 6 months
10 after the effective date, an employee may transfer to this Fund
11 up to 6 years of creditable service accumulated under Article 3
12 of this Code, upon payment to this Fund of (1) the amount by
13 which the employee and employer contributions that would have
14 been required if the employee had participated in this Fund
15 during the period for which credit is being transferred, plus
16 interest, exceeds the amount actually transferred from the
17 Article 3 fund to this Fund, plus (2) interest on the amount
18 determined under item (1) at the rate of 6% per year,
19 compounded annually, from the date of the transfer to the date
20 of payment.

21 Section 90. The State Mandates Act is amended by adding
22 Section 8.31 as follows:

23 (30 ILCS 805/8.31 new)

1 Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8
2 of this Act, no reimbursement by the State is required for the
3 implementation of any mandate created by this amendatory Act of
4 the 95th General Assembly.

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.